



SITUATION VACANT – Except for Women, Graduates and Novices

The retail motor industry constantly complains about skills shortages, yet latest research – exclusively available through ATA's close relationship with the Institute of the Motor Industry, shows that managers are largely to blame for their 'narrow-minded' attitudes. As a result, women, graduates and those without previous motor industry experience are likely to fall at the first recruitment hurdle.

Industry consultant *rts*, well known for their 'People Solutions' programmes, in conjunction with Cranfield University conducted research among a representative sample of employees in UK franchise groups and independent dealers. Interviews followed by structured questionnaires captured responses from a full range of dealer operations such as dealer principals, department managers, sales executives, service and parts advisor, technicians and administrators. The mix included 31% managers and 28% females.

Commented *rts* business development manager Tim Clarke: " Never before has our industry needed high calibre people as much as we do now, but we constantly see dealers struggling to recruit and retain high potential employees. We decided to find out why."

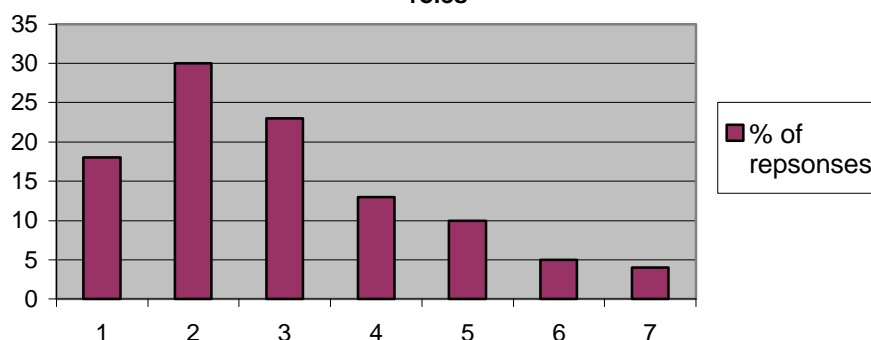
The comprehensive research data revealed three constantly recurring themes: culture and the need to promote diversity; low perceived job image; and the need to be more positive about the future by investing in training and development.

Is our industry narrow minded?

Managers within the industry constantly complain that it is difficult to get the skilled workers they need. However, strong messages coming from the research say, "we don't want women", "we don't want graduates", and "we don't want people who haven't got experience of the motor industry".

The following charts make a powerful statement about attitudes within the industry. They are based upon the responses from recruitment decision makers to the statements: Dealers would benefit from attracting more graduates into management positions; It is important to have motor industry experience to fulfil a dealer management role; (where 1 indicates "no agreement whatsoever" and 7 indicates "definite agreement"):

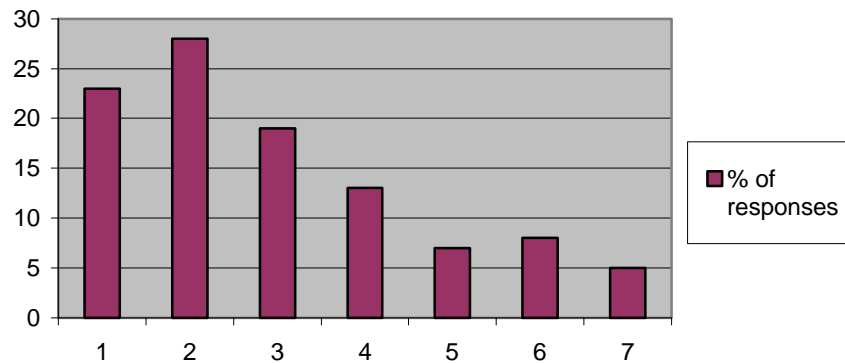
"Dealers would benefit from having more women in key roles"



Quote from the research:

"... it is a very male dominated industry... so you are missing half of the population... there are lots of jokes about it and I think that is sad; so many people assume that it has to be that way, because then it continues to be that way and you lose that richness of ideas that you only get when you have a real diverse mix of people, different genders, different ages, and different backgrounds"

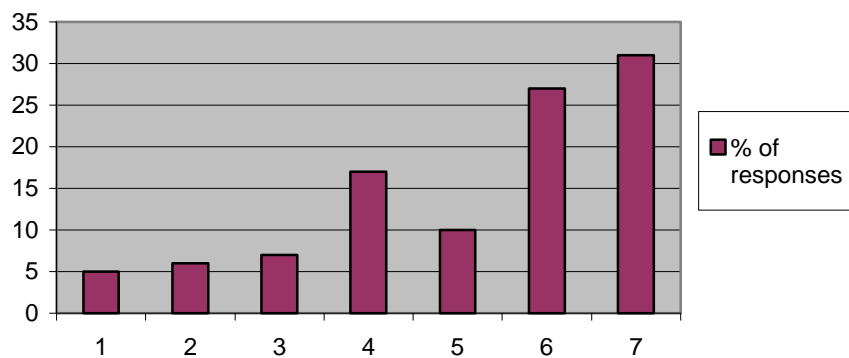
"Dealers would benefit from attracting more graduates into management positions"



Quote from the research:

"... I don't think the mindset of this industry is set up to attract graduates, to offer them the training and development opportunities, the working conditions etc. The graduates are there, they're able, they're willing, but I don't think as an industry we are quite set up to take them on board as we ought to"

"It is important to have motor industry experience to fulfil a dealer management role"



When asked to describe the culture of the industry, the predominant messages to emerge were “traditional”, “old fashioned” and “not very creative or innovative”. The risk must be that the existing culture makes the industry an unattractive choice for many high potential employees, especially graduates and females, because it espouses values and beliefs that are at odds with the norms that exist in most modern retail environments.

“The research clearly highlights a lack of diversity, especially at management level, in terms of gender and people from different backgrounds,” says Tim Clark. “And worryingly, there is a barrier to employing graduates at a time when the Government is committed to raising the numbers coming out of higher education.”

Key players lead the way

However, Clark acknowledges that it is not all bad news. “We must recognise that some key players in the industry are making great progress in this area. For example *rt*s are currently working with a number of clients who are keen to expand their graduate and high potential recruitment programmes. Our recent, separate research for them has identified key success factors which will avoid the traps outlined in the Cranfield research. I am sure others will follow this lead.”

Perceived low image

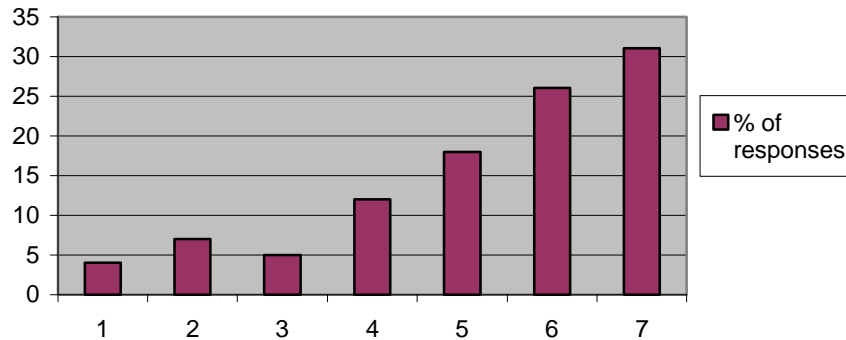
This was the second research finding. It revealed that people working within the industry think that the wider population views it negatively. During the interviews representatives talked about it being perceived as a ‘cowboy type’ industry with worker stereotypes including ‘Arthur Daley type people’ or the ‘dodgy salesman.’ There was strong belief that it is not perceived as a respected trade or work within, nor is it perceived as a modern industry.

Quote from the research:

"The industry is fed up of being seen as the poor choice for people, 'only if you can't do anything else do you end up going into the industry'. I think they're sick of seeing all the bad press. The only programmes that make it about the motor trade are where it's the rip-off mechanic where parts are put on when they didn't need it, or when somebody hasn't serviced the vehicle properly"

In response to the statement, "In my opinion the general public do not perceive the retail motor industry as being a respected industry to work in," about one third of responses were in definite agreement.

"The general public do not perceive the Retail Motor Industry as being a respected industry to work in"



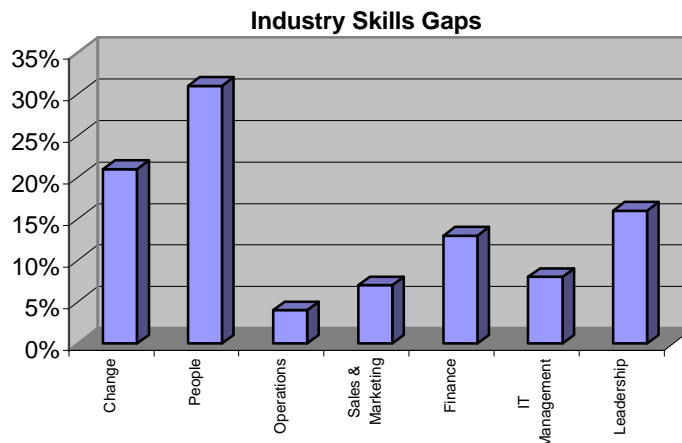
"This was a real wake-up call for us," says Tim Clark. "It was not the concern of this research as to whether or not the industry is indeed viewed in these terms; what is important is the fact that employees within the industry believe this to be so! The implication is the effect this must be having on self-esteem, work attitudes and individual behaviour."

There were also mixed feelings among managers about the future of the industry, resulting in a situation where it is difficult to create a strong positive vision for the future, which can then be communicated to the wider population."

Investment in the future

The third key message from the research was a brief that many dealerships and groups are reluctant to resource structured management training and development programmes, fearful that the competition will poach employees once they have made the investment. Succession planning was also viewed as poorly managed. The risk is that people with high potential leave to progress their careers elsewhere.

It was also felt that, while the industry has made big improvements in providing technical training within dealerships, the soft skills crucial for managing people are not being developed. On this latter point, the *fts* team conducted industry-wide research and produced a detailed report in 2003 entitled "Management Skills in the Retail Motor Industry". The findings are shown in the following chart:



"Our work in 2003 identified that the three main management skills gaps were in the area of change management, managing people and leadership," states Clark. "Of course, these are the very skills that will eventually ring about a new approach to automotive retailing in the UK. It's a vicious cycle at work here."

Clark is wary that “general feelings of uncertainty about the future and limited margins have created a situation where there is a reluctance to plan and resource for the future”. He summarises this section of the report with the comment: “Dealers need to be more positive about investing in the future. Commitment can be bought by demonstrating that there is no need to leave the business in order to develop and progress.”

Richard Wells, principal consultant at rts added: “We try and keep our ear to the ground, so sadly we were not too surprised with the strong messages emerging from the research. We also know that there is a lot of good work going on at manufacturer and dealer level to combat some of the stereotypical attitudes within our industry. Hopefully by sharing our research results we can help to step up the pace of change.”

If you require further information about this report or would like to receive a copy of the full report please email RTS Consultants (UK) Ltd on enquire@rts-uk.co.uk or visit their website at www.rtsconsultant.com.